

6216

Sponsor(s): Senators Honeyford, McCaslin, Hochstatter, Deccio, Hewitt, Long, Rossi, Benton, Horn, Parlette, Swecker, Hale, Sheahan, Oke, Stevens, Johnson, Finkbeiner, Zarelli, Morton and McDonald

Brief Description: Maintaining industrial insurance funds.

SB 6216 - DIGEST

Provides that the department must fix basic premium rates that are the lowest necessary to maintain actuarial solvency of the accident and medical aid funds in accordance with recognized insurance principles, subject to the following: (1) If on June 30th of any year, the balance in the accident fund attributable to contingency reserve exceeds ten percent of the sum of actuarial loss estimates and other financial statement liabilities as of that June 30th, the department shall implement by September 1st of that year refunds to employers in a total amount that approximates the excess amount in the fund.

(2) If on June 30th of any year, the balance in the medical aid fund attributable to contingency reserve exceeds ten percent of the sum of actuarial loss estimates and other financial statement liabilities as of that June 30th, the department shall fix basic medical aid fund premium rates for the following calendar year at a level that will reduce revenue to the medical aid fund in an amount that approximates the excess amount in the fund.